



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 169**
Streamlining Draft **AGDONAHUE 05**

Date: December 14, 2009 1:35 PM	Author:
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Subject:	

Governor and legislature consider converting state-owned enterprises and assets from dormant physical capital to financial capital which can be used for pressing needs.

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EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The steps required to surplus state-owned property are as follows:

- 1) agencies with land and buildings allocated to them must declare the properties as surplus properties.
- 2) the Office of State Lands is required to offer the properties to other state agencies and departments to determine if there is another viable state use.
- 3) if there is no other state use, the DOA must seek and gain the approval of the House and Senate Natural Resources Committees to sell the properties at public auction at appraised value or above. If the properties do not sell at the first auction at appraised value, the state can seek approval of the Natural Resources Committees of the House and Senate to sell below appraised value.

All work related to the steps above will be absorbed with existing agency staff and will not increase state expenditures.

REVENUE EXPLANATION

The proposed Streamlining Commission recommendation will result in an indeterminable increase in revenue. The Office of State Lands has surveyed all departments in the executive branch of government to identify any state lands or buildings which are no longer necessary to perform the agency’s mission, goals and objectives. While appraisals have yet to be performed on these properties, the Office of State Lands has estimated the properties identified by state agencies will generate approximately \$8.6 million for the state when sold at public auction. To the extent that this exercise is performed annually, additional revenue may be generated in future fiscal years but likely at a decreasing level of return.

The DOA notes that the list of properties discussed above does not include any identified by Higher Education institutions. That list will be provided to the DOA on December 15th.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>	
<input type="checkbox"/> 13.5.1 >= \$500,000 Annual Fiscal Cost		<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost	H. Gordon Monk Legislative Fiscal Officer
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease	